

## POVERTY RISES, REAL INCOME FALLS, AND 5 MILLION MORE LACK HEALTH INSURANCE UNDER BUSH ADMINISTRATION

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## POVERTY RISES, REAL INCOME FALLS, AND 5 MILLION MORE LACK HEALTH INSURANCE UNDER BUSH ADMINISTRATION

Washington, D.C. &ndash; New data released today by the Census Bureau shows that during the first three years of the Bush Administration, income for the typical American household fell \$1,535, 4.3 million more people were thrown into poverty, and 5.2 million more joined the ranks of the uninsured.

The proportion of Americans living in poverty rose to 12.5 percent in 2003, up 1.2 percentage points since 2000. Inflation-adjusted median household income fell slightly to \$43,318 in 2003, down from \$44,853 in 2000. The number of Americans without health insurance increased to 45 million in 2003, up from 39.8 million in 2000.

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persistent jobs deficit, and stagnant wages are pushing millions of adults and children into poverty, leaving families with lower incomes, and worsening the growing epidemic of Americans going without health insurance," said Rep. Pete Stark, Senior Democrat on the Joint Economic Committee.

"Poverty

has increased not only because of the poor performance of the economy, but also because unemployment insurance and assistance to needy families has been less generous under President Bush. Employer-provided health insurance has continued to wither, while Medicaid enrollments have swelled due to flagging incomes. Poverty and the health care crisis have been ignored by the President, who simply has no credible plan for addressing these problems," said Stark.

"President

Bush's policies clearly have not helped America's families over the past three years and there's little reason to believe that things have turned around this year. President Bush is on track to end his term leaving families worse off than they were four years ago," said Stark.

Key findings from the Census reports include:

## POVERTY

The poverty rate rose from 12.1 percent in 2002 to 12.5 percent in 2003. Since 2000, the poverty rate has increased by 1.2 percentage points. There were 35.9 million people in poverty in 2003, an increase of about 4.3 million during the Bush Administration. The Census defines the poverty line for a family of four as \$18,810.

More than one in six American children lives in poverty.

The poverty rate for children under 18 years old was 17.6 percent in 2003, up nearly a full percentage point from the previous year. While the number of children living in poverty has increased by 11 percent over the last three years, the number of children receiving Temporary Assistance for Needy Families (TANF) has declined by 10 percent over the same time period, according the Department of Health and Human Services.

The poverty rate was 24.3 percent for blacks in 2003 and 22.5 percent for Hispanics, very high poverty rates compared with that of the population as a whole.

## INCOME

The typical American family's real (inflation-adjusted) income fell slightly to \$43,318 in 2003. Median family income has declined by \$1,535 during the Bush Administration.

The real income of American households has declined since 2000 across the income distribution. Since 2000, real income has declined by 7.9 percent for the poorest fifth of households and by 3.2 percent for the richest fifth of households.

Median household income has decreased among Americans of different races. Since President Bush took office, median income has declined by 2.0 percent among white, non-Hispanics, by 6.3 percent among blacks, and by 6.9 percent among Hispanics.

## HEALTH INSURANCE

The number of uninsured Americans rose to 45 million in 2003 — 1.4 million more than in the previous year. More Americans are now without health insurance than at any point since at least 1987. Since 2000, the number of uninsured Americans has grown by 5.2 million.

The percentage of Americans with private health insurance fell to 68.6 percent, down from 69.6 percent in 2002. Employment-based coverage, the largest component of the U.S. health insurance system, fell to 60.4 percent in 2003, nearly a one percentage point decline from 2002 and 3.2 percentage points below the 2000 rate.

The percentage of uninsured increased for those with household incomes under \$75,000. For Americans with incomes of less than \$25,000, the uninsured rate rose 0.7 percentage points to 24.2 percent. The uninsured rate for Americans with incomes between \$50,000 and \$75,000 also increased by 0.7 percentage points to 12.5 percent.

The number of uninsured non-elderly adults has increased by 5.4 million since 2000. However, the number of children under 18 years of age without insurance fell slightly in 2003 to 8.4 million, primarily due to enrollment increases in the State Children's Health Insurance Program (SCHIP) and Medicaid.

Enrollment in Medicaid grew by 2.4 million in 2003, as the enrollment percentage increased from 11.6 percent of the population in 2002 to 12.4 percent in 2003. Without these additions to Medicaid, more Americans would be without health coverage.

The Joint Economic Committee, established under the Employment Act of 1946, was created by Congress to review economic conditions and to analyze the effectiveness of economic policy.